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THE WEEKLY OF
BUSINESS AVIATION™

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PIPER AIRCRAFT officials, who previously said they expect to close an agreement to sell most of the company's assets to Cyrus Eaton Group International by Jan. 15 *(BA, Nov. 4/180)*, said last week they still hope to meet or possibly beat that date for concluding an agreement. Representatives of two Canadian provinces were at Piper headquarters in Vero Beach, Fla. last week in connection with the due diligence review of Piper's records. Eaton, who indicated he plans to locate the headquarters of a new aircraft manufacturing company in Canada, is seeking financial support for his venture from provincial officials.

NATIONAL TRANSPORTATION SAFETY BOARD last week said 1991 was the worst year on record for scheduled commuter and regional carriers, which were involved in six accidents that claimed 71 lives. And 1992 got off to a bad start with the crash of a Beech 1900 operated by USAir Express carrier Commutair on Jan. 3. The accident, near Saranac Lake, N.Y., killed two of the four persons on board, including the first officer and an off-duty maintenance technician employed by the airline. *(See related article on Page 3.)*

BALANCE in the Airport and Airway Trust Fund exceeded $16 billion for the first time in October, the first month of fiscal 1992. The most recent Treasury Department report on the status of the trust fund, which is financed by a variety of aviation user taxes, shows how the fund has accumulated such a huge balance–during October net receipts totaled nearly $847 million, while expenditures were only $260 million *(see charts on Pages 9-10).*

GARRETT TELLS TFE-731-5B OPERATORS TO TEMPORARILY GROUND THEIR AIRCRAFT

Operators of Falcon 900B and converted Falcon 20 aircraft powered by Garrett TFE731-5B turbofan engines have been asked by the manufacturer to cease flight operations until more information can be obtained about two separate engine failures on a Falcon 900. In an urgent message Dec. 29 to flight department chief pilots, Garrett's General Aviation Services Division said two recent failures occurred in the fan gearboxes of Garrett TFE731-5B engines on a Falcon 900 recently converted to the 900B configuration with installation of the -5B powerplants.

First failure occurred on Dec. 17 in an engine that had seven operating hours since the conversion. Garrett said "preliminary findings indicate that the primary failure was a fractured sun gear; however, the cause of the gear failure is still under investigation" at Garrett's Phoenix, Ariz. manufacturing facility. The company said the second failure, on Dec. 27, "occurred on the first flight following replacement of the failed engine, and also involved an engine which had been converted from TFE731-5A to TFE731-5B" and which had accumulated about eight operating hours since the conversion. Garrett said the second failed engine "also exhibits signs of problems in the fan reduction gearbox."

Garrett officials told *BA* Friday they hope to have some indication of the cause of the problem by today (Monday). The second failed engine from the European-based Falcon 900 was expected in Phoenix over the past weekend. In addition to the first failed engine, Garrett technicians also are examining the undamaged third engine from the aircraft, which arrived in the U.S. last week.

Garrett said only about 17 aircraft are equipped with the -5B engines, the latest evolution in the TFE731 line, which powers a significant portion of the business jet fleet. The company noted that conversion from the -5A to -5B configuration "requires installation of main fan reduction gear which, although similar to previous

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NOW ONLINE WORLDWIDE

The Weekly of BUSINESS AVIATION • 1156 15th Street, N.W. • Washington, D.C. 20005 • 202-822-4600 • FAX 202-293-2682 • **Dave Collogen**/Editor, **Kerry Lynch**/Assistant Editor, **Martin Sibley**/Senior Copy Editor, **Tom Woodall**/Publisher • Published weekly by the Aviation Week Group of McGraw-Hill, Inc., 1221 Avenue of the Americas, New York, N.Y. 10020. (ISSN No. 0509-9528/90) • **Officers of McGraw-Hill**, Inc.: Joseph L. Dionne, Chairman, President and Chief Executive Officer; Robert N. Landes, Executive Vice President, General Counsel, and Secretary; Harold W. McGraw, III, Executive Vice President; Frank D. Penglase, Senior Vice President, Treasury Operations; and Kenneth E. Gazzola, Executive Vice President, Aviation Week Group. • Subscription rates: Within the U.S., one year $450, 6 months $290. Quantity rates on request. Mailed first class. COPYRIGHT © 1992 by McGraw-Hill, Inc. All rights reserved. None of the content of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means (electronic, mechanical, photocopying, recording or otherwise) without the prior written permission of the publisher.

Airport and Airway Trust Fund
Income Statement
October 1-31, 1991

	Current Month	Year-to-Date
RECEIPTS		
Excise Taxes (Transferred from General Fund):		
Liquid Fuel other than Gas	$ 10,010,000.00	$ 10,010,000.00
Transportation by Air, Seats, Berths, etc.	376,974,000.00	376,974,000.00
Use of International Travel Facilities	20,833,000.00	20,833,000.00
Transportation of Property and Cargo	20,000,000.00	20,000,000.00
Gasoline:		
Commercial 9 cents tax	232,000.00	232,000.00
Non-commercial 9 cents tax	2,595,000.00	2,595,000.00
Total Tax Receipts	$ 430,644,000.00	$ 430,644,000.00
Less Reimbursement to the General Fund (Refund of Taxes and Estimated Tax Credits):		
Aircraft Use Tax	$ 0.00	$ 0.00
Aviation Fuels Commercial	2,905,650.00	2,905,650.00
Gas Retailers Tax	0.00	0.00
Total Reimbursements:		
Tax Receipts	$ 2,905,650.00	$ 2,905,650.00
Net Tax Receipts	$ 427,738,350.00	$ 427,738,350.00
Interest on Investment	$ 1,163,026.31	$ 1,163,026.31
Accrued Interest Income	417,767,316.92	417,767,316.92
NET RECEIPTS	$ 846,668,693.23	$ 846,668,693.23
OUTLAYS		
Interest on Refunds & Credits	$ 0.00	$ 0.00
NON-EXPENDITURE TRANSFERS		
Department of Transportation	$ (260,000,000.00)	$ (260,000,000.00)
National Oceanic and Atmospheric Administration (NOAA)	0.00	0.00
TOTAL NON-EXPENDITURE TRANSFERS	$ (260,000,000.00)	$ (260,000,000.00)
TOTAL OUTLAYS/TRANSFERS	$ (260,000,000.00)	$ (260,000,000.00)
SURPLUS/(DEFICIT)	$ 586,668,693.23	$ 586,668,693.23

From Treasury Department data.

(Continued on Following Page)

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Airport and Airway Trust Fund

Balance Statement
As of October 31, 1991

ASSETS		
Undisbursed Balances:		
Available for Investment	$ 42.10	
TOTAL UNDISBURSED BALANCE		$ 42.10
Receivables:		
Interest Receivables	$ 729,612,281.73	
TOTAL RECEIVABLES		$ 729,612,281.73
Investments:		
U.S. Treasury Certificates of Indebtedness		
8-1/4% matures 6/30/92	$ 15,193,672,000.00	
8% matures 6/30/92	$ 168,902,000.00	
NET INVESTMENTS		$ 15,362,574,000.00
TOTAL ASSETS		$ 16,092,186,323.83
LIABILITIES & EQUITY		
Beginning Balance	$ 15,505,517,630.60	
Net Change	586,668,693.23	
TOTAL EQUITY		$ 16,092,186,323.83
TOTAL LIABILITIES & EQUITY		$ 16,092,186,323.83

Activity Report
October 1-31, 1991

	Current Month	Year-to-Date
UNDISBURSED BALANCES:		
Operations	$ 75.00	$ 75.00
Grants-in-Aid	(20,945,822.45)	(20,945,822.45)
Facilities & Equipment	101,295,171.32	101,295,171.32
Research Engineering Development	6,165,040.96	6,165,040.96
TOTAL UNDISBURSED BALANCE	$ 86,514,464.83	$ 86,514,464.83
EXPENSES		
Operations	$ (50.00)	$ (50.00)
Grants-in-Aid	144,721,212.46	144,721,212.46
Facilities and Equipment	83,970,425.47	83,970,425.47
Research Engineering Development	13,677,065.25	13,677,065.25
NOAA Aviation Weather Services	0.00	0.00
DOT/Rental Payments	0.00	0.00
TOTAL EXPENSES	$ 242,368,653.18	$ 242,368,653.18
NON-EXPENDITURE TRANSFERS		
Department of Transportation	$ (260,000,000.00)	$ (260,000,000.00)
National Oceanic and Atmospheric Administration (NOAA)	0.00	0.00
TOTAL NON-EXPENDITURE TRANSFERS	$ (260,000,000.00)	$ (260,000,000.00)

From Treasury Department data.

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